UNITED STATES DISTRICT COURT EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

MINERVA INDUSTRIES, INC.,

Civil Action No: 2-07 CV-229

Plaintiff,

The Honorable T. John Ward **United States District Judge**

V.

MOTOROLA, INC., et al.

Defendants.

AND RELATED COUNTERCLAIMS.

MINERVA INDUSTRIES, INC.'S REPLY TO UTSTARCOM, INC.'S COUNTERCLAIMS

Plaintiff Minerva Industries, Inc. files this Reply to UTStarcom, Inc.'s Counterclaims and alleges as follows:

- 1. Plaintiff Minerva Industries, Inc. ("Minerva") admits the allegations in paragraph 1 of UTStarcom, Inc.'s ("UTStarcom") Counterclaims ("Counterclaims").
 - 2. Minerva admits the allegations in paragraph 2 of the Counterclaims.
 - 3. Minerva admits the allegations in paragraph 3 of the Counterclaims.
 - 4. Minerva admits the allegations in paragraph 4 of the Counterclaims.

FIRST CLAIM FOR RELIEF

(Declaratory Relief as to the '120 Patent)

5. Minerva denies the allegations in paragraph 5 of the Counterclaims.

PRAYER FOR RELIEF

Minerva denies that UTStarcom is entitled to any relief requested in the Prayer for Relief in its Counterclaims, or any other relief whatsoever.

Dated: January 25, 2008

By: /s/ Marc A. Fenster

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3) on January 25, 2008. Any other counsel of record will be served via First Class U.S. Mail on this same date.

Bv:	/s/ Marc A. Fenster	
DV	/S/ IVIAIC A FEHSIEI	